CONTOS & BUNCH

LAWYERS

October 18, 1982

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REPLY TO: Woodland Hills

Lawrence E. Heller LENSKE, LENSKE, HELLER & MAGASIN 6400 Canoga Avenue Suite 315 Woodland Hills, California 91367

Re: Church of Scientology of California Inc. v. Gerald Armstrong, et al. Deposition of L. Ron Hubbard

Dear Mr. Heller:

It has never been and is not my intention to misrepresent anything in this lawsuit, and I would request that you cease accusing me of doing so. I am entitled to my opinion and I respect that you are entitled to yours. However, since we are adversaries in this litigation, it is my understanding that my client will often assert positions adverse to that of yours, and vice versa. That is to be expected. By my letter of October 6, 1982, I intended only to assert my client's position with respect to the deposition of L. Ron Hubbard. I certainly did not "intentionally misrepresent" the declaration of Mr. Lenarcic, nor engage in a "misuse of the court system to engage in gamesmanship".

Such statements are absently untrue.

With respect to the Code of Civil Procedure Section 2019(a)(4), my understanding of case law interpretation is that a person for whose "immediate benefit" an action is prosecuted is one who would have an immediate right to part or all of any amount recovered. Based upon the statements made in my letter of October 6, 1982 and your statement that the Church of Scientology considers itself to be liable to Mr. Hubbard for the alleged conversion (your letter of October 12, 1982), a strong argument can be made that Mr. Hubbard has the right to receive monetary benefit as a result of this litigation, should your client prevail. I believe that the "benefit" to Mr. Hubbard goes

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much deeper than the "spirtual interest" your client has professed.

I want it to be clearly understood that it is not my intention to have you or any other counsel appear unnecessarily for the deposition on October 26, 1982 should Mr. Hubbard not be produced. It was my expectation that counsel for plaintiff in this case would produce Mr. Hubbard pursuant to Section 2019(a)(4). However, if counsel for the Church do not intend to produce Mr. Hubbard, please advise me of the same in writing prior to October 26, 1982.

Further, I request that you not malign and libel my client any further by accusing him of "stealing" documents, as you did in your correspondence of October 12, 1982.

Lastly, the whereabouts of Mr. Hubbard is highly relevant to the subject matter of his deposition and this lawsuit. Although you indicated that neither counsel nor the Church of Scientology have any knowledge as to Mr. Hubbard's whereabouts, I believe that some effort would have to be made on your parts in locating him. Mr. Hubbard's Standing Order No. 1 states "all mail addressed to me shall be received by me." Your client must have some method of contacting Mr. Hubbard to ascertain his whereabouts.

In any event, please advise me as to whether or not Mr. Hubbard will be produced for his deposition on October 26, 1982.

Thank you for your anticipated courtesy and cooperation.

Very truly yours,

CONTOS & BUNCH

JULIA DRAGOJEWIC

JD:pjw

cc: Carl Kohlweck
John Peterson
Michael Flynn
Gerald Armstrong